

St. Louis City Ordinance 62624

FLOOR SUBSTITUTE

BOARD BILL NO. [92] 64

INTRODUCED BY ALDERMAN GERALDINE OSBORN

An ordinance recommended by the Board of Estimate and Apportionment and by the Board of Public Service relating to certain City Facilities and equipment; authorizing and directing the Mayor and Comptroller to execute, as provided herein, in connection with the issuance and negotiated sale by St. Louis Municipal Finance Corporation (the "Lessor") of up to \$50,000,000 principal amount of its Leasehold Revenue Improvement and Refunding Bonds, Series 1992 (the "1992 Bonds"), as approved and authorized by Ordinance 62552 (F.S.C.S.B.B. 327), documents reflecting and implementing certain terms and provisions recommended by the financial advisor and/or the underwriters, in order to enhance the marketability of the Bonds; providing that the Children's Building shall not be demolished until a separate ordinance approving such demolition is adopted; with legislative findings; with an emergency provision.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. Legislative Findings. The Board of Aldermen of the City of St. Louis finds and declares as follows:

1. Ordinance 62552 approved the financing of certain costs of demolition of the existing City Jail and Children's Building, construction of a new City Jail adjacent to the Medium Security Institution, repairing, equipping, modifying and improving the Civil Courts Building, acquisition of certain specified equipment, and refunding of certain certificates (the "Project").
2. The financing is to be done through the issuance and sale by St. Louis Municipal Finance Corporation of up to \$50,000,000 principal amount of the 1992 Bonds.
3. The structure, conditions and terms of the financing and for the completion of the Project are to be reflected in a Base Lease, Lease Agreement, Escrow Deposit Agreement, Indenture and First Supplemental Indenture, (the "Documents") forms of which were approved by Ordinance No.62552, which also authorized the obtaining of Credit Enhancement (which term, together with other capitalized terms herein not herein defined, has the meaning ascribed to it or them in Ordinance 62552) or the Bonds under certain conditions.

4. The Project, the Documents and matters related thereto have been reviewed by the underwriters and presented by the financial advisor to one or more rating agencies and to one or more prospective Credit Providers.

5. The financial advisor and/or the underwriters have advised the City that if certain terms and provisions suggested by rating agencies or prospective Credit Providers can be contained in the Documents, an investment grade rating and Credit Enhancement may be obtained and the marketability of the Bonds at favorable rates will be thereby enhanced.

6. Enhancing the marketability of the Bonds at favorable rates is likely to benefit the City financially.

7. It is in the City's best interest to authorize and direct that the terms and conditions suggested by the financial advisor and/or underwriters be reflected in the final Documents.

SECTION TWO. The Mayor and Comptroller are authorized and directed to execute Documents, approved as to form by the City Counselor, and approved by Bond Counsel containing provisions as follows:

1. In either an Event of Default under the Indenture or an Event of Non-Appropriation under the Lease by the City, the Trustee may relet the St. Louis Prison Facilities for any lawful purpose, rather than only for a public purpose;

2. The term of the Base Lease may be until the earlier of the payment of the Bonds or full payment to the Credit Provider or 2032, rather than until the earlier of the payment of the Bonds or 2012;

3. In either an Event of Nonappropriation under the Lease on Event of Default under the Indenture, a draw upon the Debt Service Reserve Fund will not prevent the Trustee from immediately dispossessing the City from the St. Louis Prison Facilities and reletting those Facilities, rather than allowing the Trustee such remedy only after the City fails to replenish the Debt Service Reserve Fund;

4. In the event of the destruction or other loss of the St. Louis Prison Facilities, Bonds may be redeemed to the extent insurance proceeds (as presently required by the Indenture as approved by Ordinance 62552) are available at the direction of the City with the consent of the Credit Provider;

5. No release or substitution of any pledged property shall occur without the written consent of the Credit Provider; and

6. The City shall, to the extent permitted by law, indemnify and/or hold harmless the Trustee and the Credit Provider from any liability relative to hazardous waste.

7. The children's Building shall not be demolished until a separate ordinance approving such demolition is adopted.

SECTION THREE. The Mayor and Comptroller are further authorized and directed to execute documents reflecting further terms or conditions reasonably requested by a Credit Provider or a rating agency which, in the judgment of the Mayor and Comptroller, with the advice of the financial advisor and City Counselor, will increase the likelihood of an investment grade rating and/or Credit Enhancement for the Bonds and which relate to the security of the holders of the Bonds or the Credit Provider.

SECTION FOUR. Emergency Clause. This being an ordinance for the immediate preservation of public peace, health and safety, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore this ordinance shall become effective immediately upon its passage and approval by the Mayor.

Legislative History				
1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
05/22/92	05/22/92	W&M		06/05/92
2ND READING	FLOOR AMEND	FLOOR SUB	PERFECTN	PASSAGE
05/29/92			05/29/92	06/05/92
ORDINANCE	VETOED		VETO OVR	
62624				